



Control Number: 49737



Item Number: 268

Addendum StartPage: 0

SOAH DOCKET NO. 473-19-6862
PUC DOCKET NO. 49737

FILED

2020 FEB 18 PM 2:46

BEFORE THE STATE OFFICE

PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF SOUTHWESTERN §
ELECTRIC POWER COMPANY FOR §
CERTIFICATE OF CONVENIENCE §
AND NECESSITY AUTHORIZATION §
AND RELATED RELIEF FOR THE §
ACQUISITION OF WIND §
GENERATION FACILITIES §

OF

ADMINISTRATIVE HEARINGS

TEXAS INDUSTRIAL ENERGY CONSUMERS'
SEVENTEENTH REQUEST FOR INFORMATION TO SWEPCO

Pursuant to 16 T.A.C. § 22.144, Texas Industrial Energy Consumers ("TIEC") requests that Southwestern Electric Power Company ("SWEPCO") provide all of the information requested in Exhibit "A" within the time frame specified under the procedural rules.

Pursuant to 16 T.A.C. § 22.144(c)(2), TIEC further requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be, for any reason, a change in circumstances which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer pursuant to 16 T.A.C. § 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. TIEC further requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit "A" should be sent to the following persons via overnight courier, on a piecemeal basis as individual items become available:

268

Mr. Rex D. VanMiddlesworth
Mr. Benjamin B. Hallmark
Mr. James Z. Zhu
Thompson & Knight LLP
98 San Jacinto Blvd., Suite 1900
Austin, Texas 78701
(512) 469.6100
(512) 469-6180 Fax
rex.vanm@tklaw.com
benjamin.hallmark@tklaw.com
james.zhu@tklaw.com
tk.eservice@tklaw.com

DEFINITIONS AND INSTRUCTIONS

A. “SWEPCO” refers to Southwestern Electric Power Company, and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, as it relates to the true-up proceeding and related appeals, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

B. “AEP” refers to American Electric Power, and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

C. The terms “document” or “documents” are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced or reproduced by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. “Document” or “documents” shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

D. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, TIEC specifically requests that any electronic or magnetic data (which is included in the definition of “document”) that is responsive to a request herein be produced on CD-Rom in a format that is compatible with Microsoft, Macintosh and/or Word Perfect and be produced with your response to these requests. If emails are responsive to these requests, please provide a printed copy of the entire email string. Attachments to emails should be printed or, if the attachment is an Excel or other similar file, should be provided in native format on CD-Rom.

E. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

F. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

G. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

H. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

I. The term “including,” or one of its inflections, means and refers to “including but not limited to.”

J. “Relate to,” “regarding,” “concerning” and similar terms mean addressing, analyzing, referring, discussing, mentioning in any way, explaining, supporting, describing, forming the basis for, or being logically or causally connected in any way with the subject of these discovery requests.

K. “Provide the basis,” “state the basis,” or “explain the basis” means provide all information on or describe every fact, statistic, inference, estimate, consideration, conclusion, study, and analysis known to SWEPCO that was relied upon in support of the expressed contention, proposition, conclusion or statement.

L. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

M. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

N. If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.

O. Pursuant to P.U.C. Proc. R. 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

P. If the information requested is included in previously furnished exhibits, workpapers, and responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

Q. The term “emails” includes the entire email string and all attachments found anywhere within the email string. Please refer to paragraph “D.” regarding specific instructions for producing such items.

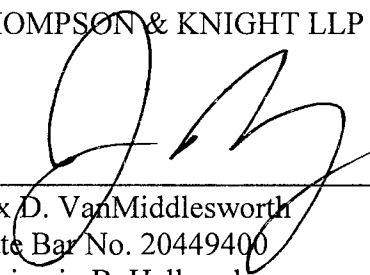
R. “Communications” refers to correspondence of any kind, including emails.

S. “Identify” and “describe” shall have the meaning set forth below according to the context in which the term is used:

- i. When used in reference to an individual, shall mean to state his or her full name, present or last known residence address, business affiliation and business address, and residence and business telephone number;
- ii. When used in reference to a corporation, shall mean to state its full name, its state of incorporation, its address and its principal place of business;
- iii. When used in reference to any entity other than an individual or corporation, shall mean to state its official name, its organizational form and its address;
- iv. When used in reference to a document, shall mean to state the type of document, date, author, addressee, title, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished; and
- v. When used in reference to a communication, shall mean to state the form of the communication (e.g., telephone conversation, letter, telegram, teletype, telecopy, written memorandum, face to face conversation, or any other form), the date of the communication or the dates on which the communication was sent and/or received if not the same, the parties to the communication, the party who initiated it, the substance of the communication, and the present location and the name and address of the custodian if the communication was non-verbal and/or of any written memorialization of the communication.

Respectfully submitted,

THOMPSON & KNIGHT LLP

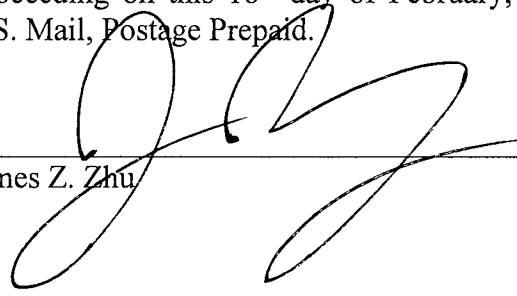


Rex D. VanMiddlesworth
State Bar No. 20449400
Benjamin B. Hallmark
State Bar No. 24069865
James Z. Zhu
State Bar No. 24102683
98 San Jacinto Blvd., Suite 1900
Austin, Texas 78701
(512) 469.6100
(512) 469.6180 (fax)

**ATTORNEYS FOR TEXAS INDUSTRIAL
ENERGY CONSUMERS**

CERTIFICATE OF SERVICE

I, James Z. Zhu, Attorney for TIEC, hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 18th day of February, 2020 by facsimile, electronic mail and/or First Class, U.S. Mail, Postage Prepaid.



James Z. Zhu

SOAH DOCKET NO. 473-19-6862
PUC DOCKET NO. 49737

APPLICATION OF SOUTHWESTERN ELECTRIC POWER COMPANY FOR CERTIFICATE OF CONVENIENCE AND NECESSITY AUTHORIZATION AND RELATED RELIEF FOR THE ACQUISITION OF WIND GENERATION FACILITIES	§ § § § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
--	---------------------------------	--

TEXAS INDUSTRIAL ENERGY CONSUMERS'
SEVENTEENTH REQUEST FOR INFORMATION TO SWEPCO

- TIEC 17-1** In reference to Bletzacker WP Non-Confidential.xlsx, please provide a version of the WP with all formulas intact and please provide all source documents used.
- TIEC 17-2** In reference to Figure 2 from the Rebuttal Testimony of Johannes P. Pfeifenberger:
- a. Please specify which natural gas and carbon price scenario is reflected in the Bid Evaluation and SPP Upgrades scenarios, respectively.
 - b. Please explain the differences in the natural gas and carbon price scenarios between the assumptions used in the Bid Evaluation and in quantifying the net economic benefits of the Traverse, Sundance, and Maverick Wind projects.
 - c. Identify all other differences between the Bid Evaluation analysis and the net benefits analysis of the Traverse, Sundance, and Maverick Wind projects.
 - d. Please define the SWEPCO Gen Zone and explain how the SWEPCO Gen Zone LMPs were derived.
- TIEC 17-3** In reference to Figure 1 from the Rebuttal Testimony of Johannes P. Pfeifenberger, please provide a tabulation of the nameplate capacity of the renewable resources for the following status levels in the 1/26/2020 SPP GI Active Request Queue:
- a. Total Requests.
 - b. Fully Executed Generation Interconnection Agreements / On Schedule.
 - c. Facility Study Stage.
 - d. DISIS Stage.
- TIEC 17-4** Assume that SWEPCO had the right to receive a cash payment from an investment-grade utility equal to the value of 1 MMBtu of gas delivered to Henry Hub at the end of each of the next ten years.

- a. What natural gas price forecast would SWEPCO use to value that cash flow stream? Please explain SWEPCO's choice.
- b. What discount rate would he use to account for the risk of that cash flow stream? Please explain SWEPCO's choice.
- c. Now assume that SWEPCO had the right to receive a \$1 cash payment from an investment-grade utility at the end of each of the next ten years. What discount rate would SWEPCO use to account for the risk of that cash flow stream? What discount rate would SWEPCO use to account for the risk of that cash flow stream if the payments were from the U.S. federal government? Please explain SWEPCO's choices.

TIEC 17-5 Assume Mr. Pfeifenberger had the right to receive a cash payment from an investment-grade utility equal to the value of 1 MMBtu of gas delivered to Henry Hub at the end of each of the next ten years.

- a. What natural gas price forecast would he use to value that cash flow stream? Please explain Mr. Pfeifenberger's choice.
- b. What discount rate would he use to account for the risk of that cash flow stream? Please explain Mr. Pfeifenberger's choice.
- c. Now assume that Mr. Pfeifenberger had the right to receive a \$1 cash payment from an investment-grade utility at the end of each of the next ten years. What discount rate would he use to account for the risk of that cash flow stream? What discount rate would Mr. Pfeifenberger use to account for the risk of that cash flow stream if the payments were from the U.S. federal government? Please explain Mr. Pfeifenberger's choices.

TIEC 17-6 Is the composite forecast that Mr. Bletzacker presented using the SPS Forecast Methodology in Figure 9 using SPS's Base or Low case methodology? In responding, please provide an explanation of how Mr. Bletzacker knows whether he used SPS's Base or Low case methodology.

TIEC 17-7 Referring to pages 28-29 of the Rebuttal Testimony of Mr. Bletzacker, please provide the 2019 monthly and annual average on-peak and off-peak LMPs at the SPP Central Zone. If there is no single SPP Central Zone hub, please provide the average of the LMPs at the hubs that constitute what AEP considers the SPP Central Zone.

TIEC 17-8 Referring to page 7 of the Rebuttal Testimony of Mr. Torpey, please state whether the comparison between SWEPCO's breakeven LMPs over the first ten years and the average day-ahead AEP zone LMPs for 2019 takes into account projected congestion costs. If congestion costs are taken into account, please explain how. If congestion costs are not taken into account, please provide the breakeven LMPs with congestion costs taken into account.